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HOUSE BILL 979

**47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005**

INTRODUCED BY

Daniel P. Silva

AN ACT

RELATING TO TRANSPORTATION; CREATING THE LOCAL TRANSPORTATION  
INFRASTRUCTURE FUND WITHIN THE NEW MEXICO FINANCE AUTHORITY;  
PROVIDING FOR MATCHING GRANTS AND OTHER FUNDING SUPPORT TO  
QUALIFIED ENTITIES FOR LOCAL TRANSPORTATION PROJECTS; MAKING AN  
APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new Section 6-21-6.8 NMSA 1978 is enacted to  
read:

"6-21-6.8. [NEW MATERIAL] LOCAL TRANSPORTATION  
INFRASTRUCTURE FUND--CREATION--PURPOSE--ADMINISTRATION.--

A. The "local transportation infrastructure fund"  
is created within the authority. For the purposes of this  
section, "fund" means the local transportation infrastructure  
fund. The fund shall be administered by the authority as a

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1 separate account, but may consist of subaccounts if the  
2 authority deems them necessary to carry out the purposes of the  
3 fund. The authority shall adopt rules in accordance with the  
4 New Mexico Finance Authority Act necessary to administer the  
5 fund.

6 B. The following shall be deposited directly into  
7 the fund:

8 (1) no more than one-half of the fee received  
9 by the authority in issuing state transportation bonds pursuant  
10 to Sections 67-3-59.3 and 67-3-59.4 NMSA 1978;

11 (2) money from the payment of principal and  
12 interest on loans and payments of principal and interest on  
13 securities held by the authority for local transportation  
14 projects;

15 (3) money appropriated by the legislature to  
16 implement the provisions of this section; and

17 (4) other public or private money  
18 appropriated, dedicated or allocated to the fund for the  
19 purpose of financing local transportation projects.

20 C. For the purposes of this section, "local  
21 transportation projects" means local transportation projects of  
22 qualified entities submitted to the authority by the secretary  
23 of transportation as provided in Subsection F of this section.  
24 The authority may provide grants or other funding support to  
25 qualified entities' local transportation projects pursuant to

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1 this section without the specific authorization by law for each  
2 project otherwise required by the New Mexico Finance Authority  
3 Act.

4 D. Except as otherwise provided in the New Mexico  
5 Finance Authority Act, money in the fund is appropriated to the  
6 authority to pay the reasonable and necessary costs of  
7 originating and servicing loans, grants or securities funded by  
8 the fund and to make loans or grants and to purchase or sell  
9 securities to assist qualified entities in financing local  
10 transportation projects in accordance with the New Mexico  
11 Finance Authority Act.

12 E. The authority may make grants from the fund to  
13 qualified entities for local transportation projects when:

14 (1) a grant is not more than twenty-five  
15 percent of the total project cost; and

16 (2) a qualified entity demonstrates pursuant  
17 to a rule promulgated by the authority that it has available or  
18 a binding commitment from another person to make available for  
19 a project the portion of the total project cost not provided by  
20 the grant. The qualified entity may enter into a loan  
21 agreement or an agreement to purchase the qualified entity's  
22 securities with the authority, or the qualified entity may use  
23 another source of money available for the project, to provide  
24 the costs not covered by the grant.

25 F. Each March, the secretary of transportation,

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1 using the department of transportation's metropolitan planning  
2 organization and regional planning organization planning  
3 process, shall submit a prioritized list of local  
4 transportation projects to the authority that the metropolitan  
5 planning organizations and regional planning organizations have  
6 determined are appropriate for grants or other funding support  
7 pursuant to this section. The authority shall act on local  
8 transportation projects in the priority presented by the  
9 secretary of transportation; provided that the authority, based  
10 on the availability of money in the fund, may determine that a  
11 qualified entity shall receive a grant or other funding support  
12 for a project out of the order of priority it would otherwise  
13 have had or that no grant or other funding support be provided  
14 for the project. The authority may promulgate a rule setting a  
15 maximum amount of grant or other funding support for a local  
16 transportation project."

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